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October 8, 2010

Matichi Sakai
President
Kawasaki Rail Car, Inc.
29 Wells Avenue, Building 4
Yonkers, NY 10701

Dear Mr. Sakai:

We represent Scott Blair, the inventor and owner of U.S. Patent No. 6,700,602 (the '602 patent) entitled "Subway TV Media System." The '602 patent covers implementations of mass transportation subway cars with interior video screens. A copy of the '602 patent is enclosed for your reference, along with claim charts comparing Kawasaki's subway cars with the patent claims.

Several of Kawasaki's rail car products embody inventions covered by the '602 patent. For example, the R160 subway car, manufactured by Kawasaki in conjunction with Alstom Transportation for use in the New York City subway system, includes LCD screens in each car for display of passenger information, content, and advertising. In addition, Kawasaki's PA-5 rail car, designed for use in the New York/New Jersey PATH system, includes on-board video displays that provide news, information, entertainment, and advertising to passengers. Kawasaki's rail cars therefore infringe the '602 patent.

In 2005 Mr. Blair contacted Charles Wochele, the Vice President of Business Development at Alstom Transportation – Kawasaki's partner in the manufacture of the R160 subway cars – to propose a design collaboration or licensing agreement concerning the inventions of the '602 patent, but received no response. Since that time, Kawasaki and Alstom have delivered over 1600 subway cars for use in the New York City subway system infringing Mr. Blair's patented concept. Kawasaki has manufactured and delivered an additional 340 infringing rail cars for use in the New York/New Jersey PATH system. Recent successful advertising initiatives, such as PATHVision (http://www.mediapost.com/publications/?fa=Articles.showArticle&art_aid=103548) and the implementation of video screens to show baseball playoff highlights in New York City's 42nd Street subway shuttle (<http://www.mta.info/news/stories/?story=104>), confirm that the technology covered by the '602 patent offers tremendous value for Kawasaki and its customers.

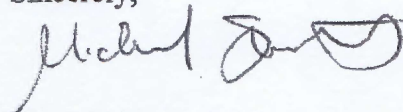
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We would like to meet with you at your earliest convenience to discuss an amicable resolution to the issue of appropriate compensation to Mr. Blair for Kawasaki's use of his technology, including a possible licensing agreement governing Kawasaki's use of Mr. Blair's inventions. Please contact me at your earliest convenience to arrange a meeting with representatives of Kawasaki to discuss the '602 patent and licensing terms. I can be reached at 212-351-3422 or at mstadnick@desmaraisllp.com.

Sincerely,

A handwritten signature in black ink, appearing to read "Michael P. Stadnick", with a stylized flourish at the end.

Michael P. Stadnick